REMARKS

Applicants are in receipt of the Official Action of April 13, 2005, the period for response having been extended three months to October 13, 2005. The pending Office Action addresses claims 1, 4-6, 9-11 and 13-17, rejecting all claims. By this response, Applicant amends claims 1, 9, 10, and 17 and cancels claims 4-6 and 13-15.

Following the outstanding Office Action, claims 1, 4-6, 9-11 and 13-17 are rejected under 35 U.S.C. § 103(a) as being unpatentable over Palm (USP 4,682,918) in view of Satoh (USP 4,892,013). In light of the current amendments, the rejection is respectfully traversed.

It is respectfully submitted that Palm does not describe a locking sleeve that engages an adjustment part to allow splines formed on an inner surface of the bore and extending axially of the tool to mesh with splines formed on the outer surface of the adjustment part, as required by the claims. The applicant submits that this arrangement allows for easier operation of the power tool when gripping a working element, such as a drill bit, in the driven member. The Palm power tool, in contrast, requires the user to hold the drill bit in one hand, operate the trigger in another hand while somehow holding the locking sleeve 40 in a position so that lugs 58 and 56 engage. The user must overcome the force created by spring 50 biasing the sleeve 40 away from the engagement position. Furthermore the lugs do not have a major dimension extending in the direction of the axis of the tool, but rather have surfaces extending at an angle to the axis, whereby actuating the trigger will create a force that urges the sleeve away from the engagement position.

By contrast clamping the drill bit with the applicant's power tool is a relatively

easy two-hand operation, as the claimed orientation of the splines do not encourage the

sleeve to be moved from the engagement position. Furthermore the lugs 56 and 58 of

the Palm power tool having angled surfaces will be subject to wear over time as they

impact on each other.

Claim 1 has further been amended to clarify that the selector is operable to

cause the power tool to adjust between working mode and adjustment mode, and fast

or slow speed. This feature, by the Examiner's own admission, is not described in

Palm.

The secondary to reference to Satoh does not cure the deficiencies of Palm, nor

can Satoh alone support the rejection of the instant claims. Because claim 1 is the only

independent claim, all pending depending claims are allowable for the same reasons as

claim 1 set forth above. Accordingly, it is respectfully submitted that all pending claims

are clearly allowable over the art of record, and indication of the same is earnestly

solicited.

If there is any fee due in connection with the filing of this Amendment, please

charge the fee to our Deposit Account No. 06-0916.

Respectfully submitted,

FINNEGAN, HENDERSON, FARABOW,

GARRETT & DUNNER, L.L.P.

Bv:

Dated: October 4, 2005

Eric P. Raciti

Reg. No. 41,475

-6-